



CITY OF DURHAM | NORTH CAROLINA

Date: July 8, 2013

To: Thomas J. Bonfield, City Manager

Through: Wanda S. Page, Deputy City Manager

**From: David Boyd, Finance Director
Lynette McRae, Purchasing Supervisor
Vicki Westbrook, Deputy Director of Water Management**

Subject: Bids – Term Contract for Ferric Sulfate Solution (9,200 tons)

Executive Summary

The contract under consideration will furnish/provide the City with its estimated two year requirements for Ferric Sulfate Solution. Ferric Sulfate is used in the water treatment process to remove turbidity, phosphorus and dissolved flotation particles.

Pencco, Inc. of San Felipe, Texas was the lowest responsive bidder. The total cost of the contract is \$1,254,420.00. Funding for this contract is available from the operating budgets of the Water Management Department (5100P121.720300/ Brown Water Treatment Plant and 5100P122.720300/Williams Water Treatment Plant). There are no good alternatives to making this purchase. All bids received were competitive and within budget.

The Equal Opportunity/Equity Assurance Department reviewed the bid submitted by Pencco, Inc. of San Felipe, Texas and determined they are in compliance with the Ordinance to Promote Equal Opportunities in City Contracting. There were no SDBEs to provide this product.

Recommendation

That the bid for the purchase of Ferric Sulfate Solution in the amount of \$1,254,420.00 from Pencco, Inc. be approved and the City Manager be authorized to execute all relevant contracts; and,

That the City Manager be authorized to modify the contract before execution provided that modifications do not increase the dollar amount of the contract and are consistent with the general intent of the existing version of the contract.

Background

The contract under consideration will furnish/provide the City with its estimated two year requirements for Ferric Sulfate Solution. Ferric Sulfate is used in the water treatment process to remove turbidity, phosphorus and dissolved flotation particles.

Issues/Analysis

The following bids were received for furnishing Ferric Sulfate Solution: (9,200 tons)

COMPANY	BID
Pencco, Inc. San Felipe, TX	*\$1,254,420.00 \$136.35/per ton
Kemira Water Solutions, Inc. Lawrence, KS	\$1,317,164.00 \$143.17/per ton

*Recommended Bid

Alternatives

There are no good alternatives to making this purchase. All bids received were competitive and within budget.

Financial Impact

The total cost of the contract is \$1,254,420.00. Funding for this contract is available from the operating budgets of the Water Management Department (5100P121.720300/ Brown Water Treatment Plant and 5100P122.720300/Williams Water Treatment Plant).

SDBE Summary

The Equal Opportunity/Equity Assurance Department reviewed the bid submitted by Pencco, Inc. of San Felipe, Texas and determined they are in compliance with the Ordinance to Promote Equal Opportunities in City Contracting.

SDBE REQUIREMENTS

There were no SDBEs to provide this Product.

WORKFORCE STATISTICS

The workforce statistics for Pencco, Inc. are as follows:

Total Workforce	60	100%
Total Females	8	13%
Total Males	52	87%
Black Males	0	0%
White Males	39	65%
Other Males	13	22%
Black Females	0	0%
White Females	7	12%
Other Females	1	1%